

May 16, 2025

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

**EXECUTIVE SUMMARY**

**CHILD CARE BULLETIN (CCB) NO. 25-12**

The purpose of this Child Care Bulletin (CCB) is to inform the California Work Opportunity and Responsibility to Kids Stages Two and Three contractors of initial contract allocations for Fiscal Year 2025-26.



JENNIFER TROIA  
DIRECTOR

CALIFORNIA HEALTH & HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
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GAVIN NEWSOM  
GOVERNOR

May 16, 2025

CHILD CARE BULLETIN (CCB) NO. 25-12

GUIDANCE TYPE: FISCAL

TO: ALL COUNTY CHILD CARE COORDINATORS  
ALL CHILD CARE AND DEVELOPMENT CONTRACTORS

SUBJECT: **FISCAL YEAR 2025-2026 CALIFORNIA WORK OPPORTUNITY  
AND RESPONSIBILITY TO KIDS INITIAL CONTRACT  
ALLOCATIONS**

APPLICABLE  
PROGRAMS: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO  
KIDS STAGES TWO AND THREE

REFERENCE: [ASSEMBLY BILL \(AB\) 116 \(CHAPTER 41, STATUTES OF 2023\)](#)  
[SENATE BILL \(SB\) 140 \(CHAPTER 193, STATUTES OF 2023\)](#);  
CHILD CARE BULLETIN (CCB) NUMBER (NO.) [21-21](#);  
[CCB 23-22](#); [CCB 24-04](#); WELFARE AND INSTITUTIONS CODE  
(WIC) SECTIONS [10213.5](#); [10372](#); [10372.5](#)

## Purpose

The purpose of this Child Care Bulletin (CCB) is to inform the California Work Opportunity and Responsibility to Kids (CalWORKs) Stage Two (C2AP) and Stage Three (C3AP) contractors of Fiscal Year (FY) 2025-26 initial planning contract allocations. Please note that award amounts are proposed, and any changes based on Budget Act enactment may be communicated in a forthcoming Budget Act amendment CCB. Contracts will be provided on a flow basis as soon as possible. Funding Terms and Conditions are located on the [Contractor Resources](#) webpage. An update to the FTCs is forthcoming for the upcoming FY 2025-26.

## Background

CalWORKs families receiving Stage One Child Care move to Stage Two when the County Welfare Department (CWD) determines they are “stable,” or when the parent(s) or legal guardian(s) is/are discontinued from cash aid. Families can remain in Stage One or Stage Two until they have been discontinued from cash aid for 24 months. Stage One funding is available to CWDs as an entitlement to eligible CalWORKs families. CWDs claim Stage One costs through CDSS’ County Assistance Claim, and as an entitlement, Stage One is not allocated at the County level. The California Department of Social Services (CDSS) contracts with Alternative Payment Program (APP) agencies to administer Stage Two pursuant to [Welfare and Institutions Code \(WIC\) Section 10372](#). For additional information on the Stage Two program, please refer to the Program Requirements for CalWORKs Stage Two.

Families that have exhausted 24 months of CalWORKs Stage One or CalWORKs Stage Two Child Care after they have been off cash aid transition to Stage Three Child Care. This program provides care if funding is available, and if the family's income remains at or below 85 percent of the state median income. The CDSS contracts with Alternative Payment Program (APP) agencies to administer this program pursuant to [WIC Section 10372.5](#). For additional information on the Stage Three program, please refer to the Program Requirements for CalWORKs Stage Three.

As voucher-based programs, Stages Two and Three programs are reimbursed on the Regional Market Rate (RMR) schedule. The RMR ceilings are the maximum amounts that voucher-based child care providers can be reimbursed from the state for subsidized child care. Effective January 1, 2022, the RMR ceilings were established at the greater of the either of the following:

- The 75th percentile of the 2018 Regional Market Rate survey for that region.
- The Regional Market Rate ceilings that existed in that region on December 31, 2021.

For additional information regarding the RMR ceiling changes effective January 1, 2022, please review [Child Care Bulletin \(CCB\) 21-21](#) and the [Reimbursement Ceilings for Subsidized Child Care webpage](#).

## Guidance

The annual Budget Act requires CDSS to adjust Stage Two and Stage Three contract amounts during the contract period to ensure funds are distributed proportional to need. The Department accomplishes this by reviewing reported fiscal and caseload data periodically during the contract period to determine projected earnings, to amend contracts as needed. This review may result in either an augmentation or a reduction to the contract Maximum Reimbursable Amount (MRA). The process in which CDSS

augmentments or reduces a contract is outlined in the Fiscal Handbook. An update to the Fiscal Handbook is forthcoming for the upcoming FY 2025-26.

Initial contract allocations for C2AP contracts include an increase based on projected overall program caseload growth. Initial contract allocations for C3AP contracts include a reduction based on projected overall program caseload decline. The Department will continue to review projected earnings, as mentioned above.

[Assembly Bill \(AB\) 116 \(Chapter 41, Statutes of 2023\)](#) established a revised Family Fee Schedule that became effective October 1, 2023. Families with an adjusted monthly family income below 75 percent of the state median income shall not be charged or assessed a family fee. The attachments display the full FY 25-26 allocation by contractor, including funding for revised Family Fee Schedule. For additional information regarding the restructured Family Fee schedule, please refer to [CCB 23-22](#).

[SB 140 \(Chapter 193, Statutes of 2023\)](#) amended [WIC Section 10213.5](#) to redefine part-time care as care certified for a child for less than 25 hours per week instead of 30 hours per week. Full-time care is redefined as care certified for a child for 25 hours or more per week instead of more than 30 hours per week. An annualized allocation is provided to agencies affected by this policy change to cover the cost of transitioning these children from part-time status to full-time status. The attachments display the full FY 25-26 allocation by contractor, including funding for the redefinition of Full-time care. For additional information, please refer to [CCB 24-04](#).

## Claiming

The terms Project Cost Account (PCA) and Service Location (SL) codes are interchangeable and represent the same funding source. Effective July 1, 2024, CDSS utilizes and display coding that pertains to CDSS only. Therefore, a PCA/SL number that begins with a 1 is designated as state general funds and a PCA/SL beginning with a 2 is designated as federal funds. Contract numbers are still to be determined.

As a reminder, Maximum Reimbursable Amounts are comprised of multiple funding sources. Each funding source's corresponding PCA/SL is listed in the contract. Reimbursements are processed through a system-generated percent-to-total for each contract, which is comprised of multiple PCAs/SLs. Contractors are encouraged to review the PCA information and funding details in their local agreements and this CCB.

Attachment I displays the initial contract allocation for the Stage Two contracted programs. Stage Two programs are funded with a combination of Child Care and Development (CCDF) Title XX and General Fund. Stage Two program costs should be claimed to the following PCAs:

<b>Project Cost Account/Service Location Code</b>	<b>Code Title</b>	<b>Federal Catalog Number</b>
24178	TANF Tnsfr to Title XX-CCDF C2AP	93.575
13367	C2AP – General Fund	N/A

Attachment II displays the initial contract allocation for the Stage Three contracted programs. Stage Three programs are funded with CCDF and General Fund. Stage Three program costs should be claimed to the following PCAs:

<b>Project Cost Account/Service Location Code</b>	<b>Code Title</b>	<b>Federal Catalog Number</b>
23881	C3AP – CCDF Discretionary	93.575
25452	C3AP – CCDF Matching	93.596
13024	C3AP – General Fund	N/A

For further information about fiscal reporting and claiming for voucher-based Child and Development programs, please refer to the most recently published Enrollment, Attendance, and Fiscal Reporting and Reimbursement Procedures for Child Care and Development Contracts, commonly referred to as the Fiscal Handbook located on the [Fiscal Resources webpage](#). An update to the Fiscal Handbook is forthcoming.

If you have questions or need additional guidance regarding the information in this letter, please contact the Child Development Fiscal Services inbox at [ChildDevelopmentFiscal@dss.ca.gov](mailto:ChildDevelopmentFiscal@dss.ca.gov).

Sincerely,

***Original Document Signed By***

KIRA YOUNGER, Chief  
Fiscal Forecasting Branch  
Finance and Accounting Division

Attachments

**FISCAL YEAR 2025-26**  
**INITIAL ALLOCATION FOR THE CALWORKS STAGE TWO PROGRAM (C2AP)**

<b>AGENCY CODE</b>	<b>AGENCY NAME</b>	<b>TOTAL MAXIMUM REIMBURSABLE AMOUNT</b>
000000B325	BANANAS INC	\$2,141,585
000000B376	COMM CHILD CARE COORD CNCL OF ALAMEDA	\$4,681,543
000000B388	HIVELY	\$2,870,677
000000U243	THE DAVIS ST COMM CNTR INC	\$2,468,459
000000N852	VALLEY OAK CHILDRENS SERVICES INC	\$2,769,938
000000X675	THE RESOURCE CONN OF AMADOR & CALAVERAS	\$405,376
0000001006	COLUSA COE	\$248,041
000000H860	COCOKIDS, INC.	\$2,818,681
0000002207	CONTRA COSTA CO EMPL/HUMAN SVC	\$5,936,493
000000X707	DEL NORTE CHILD CARE COUNCIL	\$106,873
000000N604	CNTRL VLY CHILDRENS SVCS NTWK	\$3,418,953
000000J162	SUPPORTIVE SERVICES INC	\$6,857,806
0000001011	GLENN COE	\$300,145
000000B205	CHANGING TIDES FAMILY SERVICES	\$873,021
0000001013	IMPERIAL COE	\$6,462,567
0000001014	INYO COE	\$70,526
0000001015	KERN CO SUPT OF SCHOOLS	\$10,784,215
000000P155	KINGS COMMUNITY ACTION ORG INC	\$3,530,153
0000001018	LASSEN COE	\$274,217
000000G090	CHILD CARE RESOURCE CENTER INC	\$98,992,997
000000N616	CHILDRENS HOME SOCIETY OF CAL	\$21,778,475
0000002187	CITY OF NORWALK	\$1,850,453
000000Y908	CONNECTIONS FOR CHILDREN	\$3,221,612
000000B749	CRYSTAL STAIRS INC	\$57,547,876
000000T292	DREW CHILD DEV CORP INC	\$12,928,354
000000B460	INTL INSTITUTE OF LOS ANGELES	\$760,445
000000B763	MEXICAN AMER OPP FOUNDATION	\$7,562,743
000000J852	OPTIONS FOR LEARNING	\$10,550,885
000000Y628	PATHWAYS LA	\$6,625,605
0000006490	POMONA USD	\$13,539,063
000000B509	COMM ACTION PARTNERSHIP OF MADERA CNTY	\$1,848,171
000000F228	MARIN CHILD CARE COUNCIL	\$1,299,372
000000B514	NORTH COAST OPPORTUNITIES INC	\$677,672
0000001024	MERCED COE	\$3,632,587
000000N984	TRAINING EMPL & COMM HELP INC	\$79,681
0000001026	MONO COE	\$100
000000B524	COMM RESOURCES FOR CHILDREN	\$482,627
000000H910	SIERRA NEVADA CHILDRENS SERVS	\$532,510
0000001030	ORANGE CO DEPT OF EDUCATION	\$8,499,200
0000001031	PLACER COE	\$2,105,165
000000N674	PLUMAS RURAL SERVICES	\$76,119
0000001033	RIVERSIDE COE	\$10,820,792
000000J388	CHILD ACTION INC	\$50,305,246
000000T007	CHILD DEVELOPMENT ASSOC INC	\$70,030,096
000000H945	YMCA OF SAN DIEGO COUNTY	\$44,266,784
0000002238	DEPT OF EARLY CHILDHOOD	\$8,688,130
000000B620	FAM RESOURCE & REFERRAL CTR OF SAN JOAQ	\$9,755,404
000000B621	COMM ACTION PARTNERSHIP OF SLO CNTY INC	\$2,495,877
000000M232	CHILD CARE COORD CNCL OF SAN MATEO CNTY	\$926,278
0000002241	SAN MATEO CO HUMAN SERVICES AGENCY	\$566,512
000000B845	CHILDREN'S RESRC & REF OF SANTA BARBARA	\$9,087,494

**FISCAL YEAR 2025-26**  
**INITIAL ALLOCATION FOR THE CALWORKS STAGE TWO PROGRAM (C2AP)**

<b>AGENCY CODE</b>	<b>AGENCY NAME</b>	<b>TOTAL MAXIMUM REIMBURSABLE AMOUNT</b>
0000001042	SANTA BARBARA COE	\$4,909,597
000000B655	CATALYST FAMILY INC.	\$1,541,238
000000X358	CHILD DEVELOPMENT INC	\$13,327,221
000000B649	GO KIDS INC	\$3,502,306
0000001045	SHASTA COE	\$3,312,604
000000J803	SISKIYOU CHILD CARE COUNCIL	\$150,267
000000B689	SOLANO FAMILY & CHILDREN'S COUNCIL INC	\$10,955,705
000000B822	COMM CC CNCL OF SONOMA CO	\$2,396,273
000000B883	RIVER TO COAST CHILDREN'S SVCS	\$99,576
000000N677	HUMAN RESPONSE NETWORK	\$100
0000001054	TULARE COE	\$6,736,372
000000N235	INFANT/CHILD ENRICHMT SVCS INC	\$312,240
000000B715	CHILD DEV RES OF VENTURA CO INC	\$3,299,451
<b>Total</b>		<b>\$569,096,544</b>

**FISCAL YEAR 2025-26**  
**INITIAL ALLOCATION FOR THE CALWORKS STAGE THREE PROGRAM (C3AP)**

<b>AGENCY CODE</b>	<b>AGENCY NAME</b>	<b>TOTAL MAXIMUM REIMBURSABLE AMOUNT</b>
000000B325	BANANAS INC	\$7,513,595
000000B376	COMM CHILD CARE COORD CNCL OF ALAMEDA	\$8,901,979
000000B388	HIVELY	\$3,538,299
000000U243	THE DAVIS ST COMM CNTR INC	\$3,402,966
000000N852	VALLEY OAK CHILDRENS SERVICES INC	\$3,412,406
000000X675	THE RESOURCE CONN OF AMADOR & CALAVERAS	\$366,509
0000001006	COLUSA COE	\$267,698
000000H860	COCOKIDS, INC.	\$17,704,353
000000X707	DEL NORTE CHILD CARE COUNCIL	\$142,749
000000N604	CNTRL VLY CHILDRENS SVCS NTWK	\$3,575,796
000000J162	SUPPORTIVE SERVICES INC	\$8,565,457
0000001011	GLENN COE	\$224,912
000000B205	CHANGING TIDES FAMILY SERVICES	\$310,563
0000001013	IMPERIAL COE	\$5,098,551
0000001014	INYO COE	\$89,307
0000001015	KERN CO SUPT OF SCHOOLS	\$13,292,998
000000P155	KINGS COMMUNITY ACTION ORG INC	\$1,989,340
0000001018	LASSEN COE	\$187,065
000000G090	CHILD CARE RESOURCE CENTER INC	\$92,229,033
000000N616	CHILDRENS HOME SOCIETY OF CAL	\$22,053,982
0000002187	CITY OF NORWALK	\$1,975,235
000000Y908	CONNECTIONS FOR CHILDREN	\$1,971,428
000000B749	CRYSTAL STAIRS INC	\$71,419,581
000000T292	DREW CHILD DEV CORP INC	\$9,458,943
000000B460	INTL INSTITUTE OF LOS ANGELES	\$550,988
000000B763	MEXICAN AMER OPP FOUNDATION	\$7,074,326
000000J852	OPTIONS FOR LEARNING	\$7,583,197
000000Y628	PATHWAYS LA	\$8,752,587
0000006490	POMONA USD	\$8,199,452
000000B509	COMM ACTION PARTNERSHIP OF MADERA CNTY	\$1,166,253
000000F228	MARIN CHILD CARE COUNCIL	\$1,877,337
000000B514	NORTH COAST OPPORTUNITIES INC	\$728,257
0000001024	MERCED COE	\$3,485,435
000000N984	TRAINING EMPL & COMM HELP INC	\$100
0000001026	MONO COE	\$100
000000B524	COMM RESOURCES FOR CHILDREN	\$623,440
000000H910	SIERRA NEVADA CHILDRENS SERVS	\$477,273
0000001030	ORANGE CO DEPT OF EDUCATION	\$4,210,051
0000001031	PLACER COE	\$2,445,019
000000N674	PLUMAS RURAL SERVICES	\$73,183
0000001033	RIVERSIDE COE	\$14,800,460
000000J388	CHILD ACTION INC	\$23,336,715
000000T007	CHILD DEVELOPMENT ASSOC INC	\$31,033,385
000000H945	YMCA OF SAN DIEGO COUNTY	\$18,435,382
000000B610	CHILDRENS COUNCIL SAN FRANCISCO	\$13,379,947
000000B620	FAM RESOURCE & REFERRAL CTR OF SAN JOAQ	\$10,995,222
000000B621	COMM ACTION PARTNERSHIP OF SLO CNTY INC	\$2,413,251
000000M232	CHILD CARE COORD CNCL OF SAN MATEO CNTY	\$2,665,593
000000B845	CHILDREN'S RESRC & REF OF SANTA BARBARA	\$2,248,402
0000001042	SANTA BARBARA COE	\$3,437,735
000000B655	CATALYST FAMILY INC.	\$879,362



## FISCAL YEAR 2025-26

## INITIAL ALLOCATION FOR THE CALWORKS STAGE THREE PROGRAM (C3AP)

AGENCY CODE	AGENCY NAME	TOTAL MAXIMUM REIMBURSABLE AMOUNT
000000X358	CHILD DEVELOPMENT INC	\$15,159,458
000000B649	GO KIDS INC	\$8,211,432
0000001045	SHASTA COE	\$2,884,126
000000J803	SISKIYOU CHILD CARE COUNCIL	\$39,031
000000B689	SOLANO FAMILY & CHILDREN'S COUNCIL INC	\$7,643,490
000000B822	COMM CC CNCL OF SONOMA CO	\$2,773,883
000000B883	RIVER TO COAST CHILDREN'S SVCS	\$40,757
000000N677	HUMAN RESPONSE NETWORK	\$100
0000001054	TULARE COE	\$5,507,486
000000N235	INFANT/CHILD ENRICHMT SVCS INC	\$232,246
000000B715	CHILD DEV RES OF VENTURA CO INC	\$6,831,159
Total		\$497,888,365